

Knowledge Assets and Competitiveness in Fashion Industries

As knowledge management (KM) moves toward a wider and more strategic view of intangible assets, our ability to collect, understand, and analyze appropriate metrics concerning firm competencies increases in importance. Previous research has demonstrated that knowledge assets are more important in some industries than in others. Similar conclusions can be made about related intangible assets such as big data or business intelligence, competitively useful in some circumstances but less so in others.

This paper starts with what we already know about fashion-driven industries based on knowledge metrics, looking at a modified Tobin's q calculated for a large sample of listed firms. From those data, we can draw some conclusions as to how firms in these industries compete (e.g. operational efficiency, innovation and design), including in relation to other industries. In this case, fashion industries appear to have an interesting blend of unique creative talent paired with complex supply chains, operations, and distribution channels. The knowledge inputs are diverse and distinctive, posing an interesting management challenge.

This paper will then take those general conclusions further, providing an in-depth analysis of select firms in these industries. Making use of more precise metrics from the firms' financial reports, external assessments such as brand equity, and press accounts concerning competitive actions, we can develop a better understanding of where and how intangible assets provide competitive advantage. In particular, we can better determine where along the value chain intangibles seem critical and where they may be less so, at least in fashion industries.

The results will add to our understanding of how knowledge and other intangible assets contribute to competitiveness. Specifically, we can discover how the assets vary by industry, how their impact varies by industry, and provide better guidance to decision makers on investing in knowledge management, big data, and/or business analytics/intelligence. Each industry studied in this manner makes the picture clearer, and the unique aspects of fashion promise particularly interesting insights.